

**CITY OF MIAMI BEACH**  
**Office of the City Manager**  
**Letter to Commission No. 027-2004**



**To:** Mayor David Dermer and  
Members of the City Commission

**Date:** February 2, 2004

**From:** Jorge M. Gonzalez  
City Manager

A handwritten signature in black ink, appearing to read "Jorge", written over the name "Jorge M. Gonzalez".

**Subject: PELICAN TRANSFER OF LEASE AGREEMENT**

On December 10, 2003, the Mayor and City Commission adopted Resolution No. 2003-25436 declining in writing the Right of First Offer Transaction and further authorized the City Manager and City Attorney to approve/disapprove the proposed sale and assignment of Pelican Development LLC's 100% interest in the leasehold to Ocean Blvd II LLC, an Indiana limited liability company, as required under the terms of section 10.5 of the Agreement of Lease upon completion of the city's evaluation of information in connection with the proposed transfer of the Project and the proposed Purchaser.

As part of the City's evaluation of the proposed Purchaser, issues and concerns arose regarding some past dealings of the Purchaser. As such, the City contracted Kroll Associates, Inc. to conduct a full due diligence investigation of the Maefield Development Corporation, an affiliate of Ocean Blvd II LLC (Mark A. Siffin, Managing Member) and Mr. Mark Siffin.

The evaluation consisted of a comprehensive background investigation of Mark A. Siffin through database searches to verify the information provided by Mr. Siffin, determining if he has been involved in any controversial issues, subject to any criminal or civil actions, has any outstanding litigation or unresolved issues, which would make him an unsuitable business partner.

As a result of the information provided by Kroll (attached), the City requested an extension of time to consider the proposed transfer in an effort to seek clarification on information contained in the report and to meet with Mr. Siffin. An extension has been granted until Feb 6, 2004.

While the Kroll Associates, Inc. report is attached, Mr. Siffin has provided a document, that is also attached, responding to information contained in the Kroll report and attempting to clarify what he feels is misleading and incorrect or incomplete information. I have had the opportunity to meet directly with Mr. Siffin and have fully explored all of the issues that have been raised. Mr. Siffin has also offered to meet with each of you individually to answer any questions you may have.

I will brief each of you on the status of the information evaluated by the Administration and the City Attorney and on the meeting held January 28, 2004 with Mr. Siffin, to seek your guidance.

If you have any questions, please contact me.

JMG/CMC/rar

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c: Murray H. Dubbin, City Attorney

GREENBERG  
ATTORNEYS AT LAW  
TRAURIG

VIA FACSIMILE

January 30, 2004

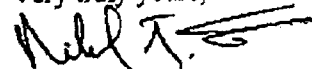
Mr. Jorge M. Gonzalez  
City Manager  
City of Miami Beach  
City Hall  
1700 Convention Center Drive  
Miami Beach, Florida 33139

**RE: Proposed Purchase and Sale Agreement for Seller's leasehold interest  
in the Agreement of Lease (the "Lease") between the City of Miami Beach and  
Pelican Development, LLC ("Pelican") dated December 1, 1999**

Dear Mr. Gonzalez:

This letter shall serve to confirm that Pelican agrees to extend the time for the City to respond to Pelican's request to assign the Lease to Ocean Blvd. II, LLC until 12:00 noon on Friday, February 6, 2004. Please call me with any questions.

Very truly yours,



Michael T. Lynott

cc: Christina Cuervo, City of Miami Beach (via telefax)  
Murray Dubbin, City Attorney (via telefax)

Bloom & Minsker  
1401 Brickell Avenue, Suite 700  
Miami, FL 33131  
Attn: Joel Minsker, Esq. (via telefax)

Greenberg, Traurig, P.A.  
1221 Brickell Avenue  
Miami, FL 33131  
Attn: Richard J. Giusto, Esq.

Ocean Blvd II LLC  
328 S. Walnut Street, Suite 2  
Bloomington, IN 47401  
Attn: Mark A. Siffin (via telefax)

Mr. Jorge M. Gonzalez

January 30, 2004

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Bose McKinney & Evans LLP  
600 E. 96<sup>th</sup> Street, Suite 500  
Indianapolis, IN 46240  
Attn: Philip A. Nicely, Esq. (via telefax)

Dwyer & Cambre  
3421 North Causeway Blvd., Suite 707  
Metairie, LA 70002  
Attn: Stephen I. Dwyer, Esq. (via telefax)

Pelican Development, LLC  
601 Poydras Street, Suite 2011  
New Orleans, Louisiana 70130  
Attn: Wayne Ducote (via telefax)

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